

RESOLUTION authorizing the City of Fort Wayne, Indiana, to enter into a Contract with the Kekionga Development Corporation

WHEREAS, the Common Council of the City of Fort Wayne, Indiana, has previously authorized the City to participate with Allen County, Indiana, in a certain development project;

WHEREAS, the development project involves the Kekionga Development Corporation; and

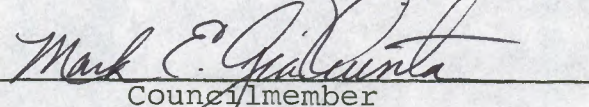
WHEREAS, it is necessary for the City of Fort Wayne to enter into a Contract with the Kekionga Development Corporation.

NOW THEREFORE BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. The annexed Contract by and between the City of Fort Wayne, Indiana, by and through its Board of Public Works, and the Kekionga Development Corporation, a copy of which is attached hereto as a part hereof as Exhibit "A", is hereby approved in all respects, and the City of Fort Wayne is hereby authorized to execute same.

SECTION 2. Two copies of the annexed Contract are on file in the City Clerk's Office and available for public inspection.

SECTION 3. This Resolution shall be in full force and effect upon passage and approval by the Mayor.

  
Councilmember

APPROVED AS TO FORM AND LEGALITY  
THIS 24 DAY OF June, 1983.

  
BRUCE O. BOXBERGER, CITY ATTORNEY



Read the first time in full and on motion by \_\_\_\_\_,  
seconded by \_\_\_\_\_, and duly adopted, read the second time  
by title and referred to the Committee \_\_\_\_\_ (and the City  
Plan Commission for recommendation) and Public Hearing to be held after  
due legal notice, at the Council Chambers, City-County Building, Fort Wayne,  
Indiana, on \_\_\_\_\_, the \_\_\_\_\_ day of  
\_\_\_\_\_, 19\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_.M., E.S.T.

DATE: \_\_\_\_\_

CITY CLERK

Read the third time in full and on motion by \_\_\_\_\_,  
seconded by \_\_\_\_\_, and duly adopted, placed on its  
passage. PASSED (~~LOST~~) by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>	<u>TO-WIT:</u>
<u>TOTAL VOTES</u>	<u>9</u>	_____	_____	_____	_____
<u>BRADBURY</u>	<u>✓</u>	_____	_____	_____	_____
<u>BURNS</u>	<u>✓</u>	_____	_____	_____	_____
<u>EISBART</u>	<u>✓</u>	_____	_____	_____	_____
<u>GiaQUINTA</u>	<u>✓</u>	_____	_____	_____	_____
<u>SCHMIDT</u>	<u>✓</u>	_____	_____	_____	_____
<u>SCHOMBURG</u>	<u>✓</u>	_____	_____	_____	_____
<u>SCRUGGS</u>	<u>✓</u>	_____	_____	_____	_____
<u>STIER</u>	<u>✓</u>	_____	_____	_____	_____
<u>TALARICO</u>	<u>✓</u>	_____	_____	_____	_____

DATE: 6-28-83

Sandra E. Kennedy  
- CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne,  
Indiana, as (ZONING MAP) (GENERAL) (ANNEXATION) (SPECIAL)  
(APPROPRIATION) ORDINANCE (RESOLUTION) NO. B-34-83  
on the 28th day of June, 1983.

ATTEST:

(SEAL)

Sandra E. Kennedy  
CITY CLERK

Ray A. E. Cook  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on  
the 29th day of June, 1983, at the hour of  
11:30 o'clock A..M., E.S.T.

Sandra E. Kennedy  
CITY CLERK

Approved and signed by me this 30th day of June  
1983, at the hour of 4 o'clock P..M., E.S.T.

Win Moses, Jr.  
WIN MOSES, JR. - MAYOR



AGREEMENT

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 1983, by and between the CITY OF FORT WAYNE, INDIANA, by and through its Board of Public Works, hereinafter referred to as the "City", and KEKIONGA DEVELOPMENT CORPORATION, hereinafter referred to as "Kekionga",

WITNESSETH:

WHEREAS, the City and Allen County, Indiana, have formed Kekionga, which is an Indiana not-for-profit corporation; and

WHEREAS, Kekionga has been formed to promote general economic growth in this community, by enabling the expansion of existing businesses and by the attraction of new businesses and jobs to this area; and

WHEREAS, specifically, the City and Allen County, Indiana, through Kekionga, have been negotiating with International Telephone and Telegraph Corporation, Aerospace/Optical Division (hereinafter referred to as "ITT"), with respect to the possibility of ITT expanding its business operations in this area; and

WHEREAS, Kekionga has also been negotiating with private landowners who would be willing to develop a Seventeen (17) acre site located in Allen County, Indiana, for the purposes of constructing thereon a One Hundred Forty-Three Thousand (143,000) square foot building to be leased to ITT so as to allow ITT to expand its operations in this community and to add approximately Five Hundred



Fifty (550) jobs to this community; and

WHEREAS to complete the ITT transaction, including the construction of the necessary building and improvements thereto, it will cost approximately Three Million Four Hundred Thousand Dollars (\$3,400,000.00); and

WHEREAS, the Common Council of the City of Fort Wayne, Indiana, has authorized, via Appropriation Ordinance, the commitment of up to One Million Seven Hundred Thousand Dollars (\$1,700,000.00) from City Light Lease Funds, said money to be loaned by the City to Kekionga; and

WHEREAS, this Agreement is necessary to outline the responsibilities of the parties hereto with respect to the City's loan of One Million Seven Hundred Thousand Dollars (\$1,700,000.00) to Kekionga for industrial development purposes.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. The City does hereby agree to loan to Kekionga up to One Million Seven Hundred Thousand Dollars (\$1,700,000.00) for industrial development purposes, and specifically, for the development of the ITT project as described in the attached Development Agreement, made a part hereof as Exhibit "A".
2. The City's loan of One Million Seven Hundred Thousand Dollars (\$1,700,000.00) to Kekionga will come about only if all of the conditions precedent have occurred as outlined in Paragraph 3



of the attached Development Agreement.

3. The City's loan of One Million Seven Hundred Thousand Dollars (\$1,700,000.00) shall be evidenced by all appropriate documents, including mortgages and promissory notes, as deemed appropriate, from time to time, by the City, and the City's loan position shall be on a pro rata basis with that of Allen County, Indiana, assuming that Allen County, Indiana, loans or grants to Kekionga an equivalent sum of One Million Seven Hundred Thousand Dollars (\$1,700,000.00). If the loan and/or grant sums as extended by the City and Allen County, Indiana, are different, then the City's and Allen County, Indiana's, loan interests shall be in proportion to the amount of money as extended by the City and Allen County, Indiana, respectively.

4. If Allen County, Indiana's, loan and/or grant to Kekionga has to be re-paid to Allen County, Indiana, pursuant to the terms and conditions of same, then the re-payment of the City's loan shall be in a percentage equal to the amount of money loaned by the City in relationship to the total amount of loans and/or grants given by the City and Allen County, Indiana, to Kekionga for this project. Re-payment of the loan shall be made, from time to time, as Kekionga receives money from its loan as described in the Development Agreement, Exhibit "A". As Kekionga receives money from its loan, it shall re-pay to the City, with no interest, all sums as received, sharing on a percentage basis, payments being made to Allen County, Indiana. Provided, however, that if Allen County, Indiana, does not have to have its loan and/or grant re-paid, then the City shall receive all



such monies as received by Kekionga from its borrowers as indicated in the Development Agreement.

5. Kekionga does agree to give to the City an assignment of its first mortgage that Kekionga receives under the Development Agreement from the landowners in question. If Allen County, Indiana's, loan and/or grant has to be re-paid, then the City shall receive a co-assignment along with Allen County, Indiana, with respect to such first mortgage as received by Kekionga.

6. This Agreement shall be construed and governed in accordance with the laws of the State of Indiana.

IN WITNESS WHEREOF, this Agreement has been signed the day, month, and year first above written.

CITY OF FORT WAYNE, INDIANA

KEKIONGA DEVELOPMENT CORPORATION

BY: Winfield C. Moses, Jr., Mayor

BY: Karl Bandemer, President

BY: Stephen A. Bailey, Chairman  
Board of Public Works

BY: John Stafford, Secretary

BY: Betty Collins, Member  
Board of Public Works



Eph A.

DEVELOPMENT AGREEMENT

THIS AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 1983, by and between the KEKIONGA DEVELOPMENT CORPORATION, hereinafter referred to as "Kekionga", and the COOK ROAD INDUSTRIAL INVESTORS, hereinafter referred to as "Partnership",

WITNESSETH:

WHEREAS, Kekionga is an Indiana Not-For-Profit Corporation, created by the political subdivisions of the City of Fort Wayne, Indiana, and Allen County, Indiana, to encourage business expansion, business relocation, and the addition of jobs for this community; and

WHEREAS, the Partnership owns certain real estate in Allen County, Indiana, that can be utilized for business development; and

WHEREAS, Kekionga has been negotiating with International Telephone & Telegraph Corporation, Aero Space/Optical Division (hereinafter referred to as "ITT"), with respect to the possibility of ITT expanding its business operations in this area; and

WHEREAS, ITT, subject to its ability to obtain the U.S. Government's SINCGARS Production Project, is willing to add an additional capital investment of approximately Ten Million Dollars (\$10,000,000.00) to its operations in this area and is further willing to add approximately Five Hundred Fifty (550) jobs for this community; and

WHEREAS, ITT has a present need, for its expansion intentions, of a building of approximately One Hundred Forty-Three Thousand (143,000)



square feet; and

WHEREAS, the real estate owned by the Partnership would be an ideal site for the location of such a building to fit the needs of ITT; and

WHEREAS, construction costs for such a building that would be required to house the expanding needs of ITT would approximate Three Million Four Hundred Thousand Dollars (\$3,400,000.00), exclusive of land acquisition costs; and

WHEREAS, Kekionga is willing to loan up to Three Million Four Hundred Thousand Dollars (\$3,400,000.00) to the Partnership for purposes of constructing such a building, and in return, the Partnership is willing to provide certain "off-site" improvements and is further willing to lease said real estate and the improvements thereon to Kekionga, who would in turn lease same to ITT.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. COMMITMENTS OF KEKIONGA.

A. Kekionga does herein agree to loan to the Partnership up to Three Million Four Hundred Thousand Dollars (\$3,400,000.00) for the purposes of constructing a One Hundred Forty-Three Thousand (143,000) square foot building upon Seventeen (17) acres owned by the Partnership, said real estate hereinafter referred to as the "Site", and said real estate more specifically described in the attached Exhibit "A", made a part hereof. The precise amount of this loan shall be ascertained by first determining the costs for all architectural and



- 5 -

engineering plans, soil borings, survey and closing costs, as necessitated by this project, these costs to be paid by Kekionga from the Three Million Four Hundred Thousand Dollars (\$3,400,000.00) that it has available. The remaining amount from the Three Million Four Hundred Thousand Dollars (\$3,400,000.00) would then be loaned, and Kekionga does hereby agree to loan such sum to the Partnership for construction purposes. The building shall be constructed according to the existing plans and specifications as outlined in the attached Exhibit "B", made a part hereof. Any and all such building contracts shall be first approved by Kekionga. This loan shall be evidenced by a first mortgage (and accompanying promissory note) given by the Partnership to Kekionga, said mortgage upon and against the Seventeen (17) acres and all improvements thereon. Such mortgage and promissory note shall be re-payable as follows: For the first Five (5) years, there shall be no principal payment, nor shall there be any accrual of interest; thereafter, the unpaid balance of the mortgage shall be amortized over Ten (10) years and payable over Ten (10) years, with equal quarterly payments of principal and interest, and the unpaid balance of the mortgage shall bear interest at the rate of Five Per Cent (5%) per annum.

All leases associated with the real estate shall be subordinate to the mortgage given to Kekionga, and the mortgage shall not be assignable or assumable without the express written consent of Kekionga.

In the event of a default or termination of ITT's lease obligations, at any time, during the first Five (5) years of the venture, then Kekionga shall not have the obligation to pay any rent; provided,



however, that Kekionga may continue to lease said property from the Partnership, and Kekionga shall have the option to find another sub-lessee, or, upon the approval of Kekionga, the Partnership may sell the real estate and improvements thereon.

If a default or termination of ITT's lease or any other lease occurs after year Five (5), then Kekionga shall not be obligated to pay any rent whatsoever to the Partnership, however, the Partnership shall then be deemed to be in default of its mortgage obligations, unless it continues to pay on same, and in the event of such a default, the Partnership would convey title to the real estate and improvements thereon to Kekionga, at which time the mortgage and promissory note of the Partnership would be extinguished. Provided, however, and notwithstanding anything herein to the contrary, in the event of such a default or termination by ITT of its lease obligations, or any other default in a lease obligation after year Five (5), the Partnership shall have a One (1) year period of time from such termination or default to dispose of the real estate.

B. Kekionga does hereby commit to loan to the Partnership the sum of One Hundred Seventy Thousand Dollars (\$170,000.00), said sum to be used by the Partnership to provide certain off-site improvements as necessitated by this project. This loan shall be evidenced by a second mortgage upon the real estate and accompanying promissory note, and shall be re-paid to Kekionga by the Partnership in equal quarterly installments, including principal and interest, amortized over Five (5) years, with interest at the rate of Five Per Cent (5%) per annum on the unpaid balance.



2. COMMITMENTS OF PARTNERSHIP.

A. The Partnership does hereby commit to build upon the Site, owned by the Partnership, a One Hundred Forty-Three Thousand (143,000) square foot building as defined in the plans and specifications (Exhibit "B"). The Partnership agrees that such construction will be in conformance with the wishes of Kekionga in all respects.

B. The Partnership agrees to borrow the monies as herein indicated pursuant to the terms and conditions outlined in this Agreement.

C. The Partnership agrees to provide off-site improvements, including water service to the Site; streets to the Site; install entrance to Cook Road; to provide storm water off-site drainage; and to provide sanitary sewer service to Site. Such off-site improvements shall be done by the Partnership from the One Hundred Seventy Thousand Dollars (\$170,000.00) loaned to it by Kekionga.

D. The Partnership agrees to lease the real estate and improvements thereon to Kekionga, rent-free for a period of Five (5) years, and then subsequent to that time, the rent shall be equivalent to the rental fee paid by the sub-lessee of Kekionga. In that regard, Kekionga shall be able to, at all times, sub-lease the premises. In the event of a termination or default of any lease arrangement, it is agreed that Kekionga shall have no obligation whatsoever to pay rent.

3. CONDITIONS PRECEDENT. The obligations of the parties hereto are subject to the following events happening, and if any such events do not occur, as herein indicated, then the obligations of the parties hereto shall be null and void:

A. The availability of Kekionga to provide financial



commitments as herein indicated.

B. The ability of Kekionga to have ITT commit to a lease arrangement satisfactory to Kekionga.

C. The waiver, by the City of Fort Wayne, Indiana, as to tap-in charges on water and sewer for the Seventeen (17) acres (Site).

D. Agreement by Allen County, Indiana, as to the fact that it will permit the development of the Seventeen (17) acres in question prior to the construction of a retention pond, as needed, for the remaining Ninety-Five (95) acres.

4. CLOSING DATE AND COMMENCEMENT OF CONSTRUCTION. The parties hereto agree that closing for this transaction, including, but not limited to, the execution of any and all necessary documents to fulfill the terms and conditions hereof, shall occur by August 1, 1983, and that each party will cause construction to begin with respect to the One Hundred Forty-Three Thousand (143,000) square foot building by August 1, 1983.

5. BINDING EFFECT. This Agreement shall be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, this Agreement has been signed the day, month, and year first above written.

KEKIONGA DEVELOPMENT CORPORATION

COOK ROAD INDUSTRIAL INVESTORS

BY: \_\_\_\_\_  
Karl Bandemer, President

BY: \_\_\_\_\_  
Samuel Fletcher, Partner

BY: \_\_\_\_\_  
John Stafford, Secretary

BY: \_\_\_\_\_  
Fred Marolf, Partner

BY: \_\_\_\_\_  
Jack Schrey, Partner